

**BUDGET ADVISORY COMMITTEE**  
**November 17, 2003**

**1. ROLL CALL**

The meeting was called to order at 5:50 p.m. by Chair, Dr. Kerry Waldee at 5:30 p.m. Present at the meeting were Committee members Bob Preziosi, Secretary Scott Spages. Also present were Mark Kutney, Development Services Director, Fernando Leiva, Planning & Zoning Manager and Finance Director, Bill Underwood.

**2. APPROVAL OF MINUTES**

**July 14, 2003, Minutes.** Discussion to investigate and possibly correct the minutes occurred regarding Item 3.3.

**August 21, 2003, Minutes.** Discussed to investigate and correct Item 3.1.

A motion was made by Scott Spages, seconded by Bob Preziosi to execute the corrected Minutes. In a voice vote, all voted in favor. (Motion passed 3-0).

**3. OLD BUSINESS**

**3.1 Status of FY 04 Budget.**

Mr. Underwood advised that at the close of the first month of the fiscal year, a proposal was passed which allowed for a 1.75% budget cut across the board, which equated to roughly \$600,000. He stated that the Town Council had adopted the 1.75%. Bob Preziosi asked if any departments lost any valued services. Mr. Underwood indicated in the negative stating that the 1.75% in cuts came from operating expenses. He also indicated that before this fiscal year ended his goal was to change the entire structure to conform with the State recommended Chart of Accounts, as he felt it would be more easily understood with regard to questioning individual items. He advised that the Committee would get the completed 2003 report in March, 2003 as several adjustments were necessary.

**4. NEW BUSINESS**

**4.1 Cost Recovery.** Mark Kutney addressed the committee on Cost Recovery. He advised the Committee that it had taken almost a year to get the Cost Recovery program running smoothly. He stated that they were in the process of getting some bugs out of this new procedure. He indicated that one goal of the program was to revamp some of the processes and systems with regard to the Site Plan process, as that area would generate a significant portion of fees from applications. He further stated that the program allowed the Town to fine tune the development review process. Scott Spages asked when the program was implemented. Mark Kutney advised that it had been implemented in November, 2002. Bob Preziosi asked whether the Town had seen any increased revenue as a result of this program. Fernando Leiva indicated that the Town had not seen much of an increase but had seen an increase in the process of reviewing permit applications. He

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summarized highlights of the program's success over the last fiscal year, and indicated that Cost Recovery had accounted for \$250,000 in review fees. He stated that following the adoption of the ordinance, fee amendments indicated that the Town was on par with other municipalities in this area. He stated as his staff became more experienced on the new software system, the program would become more effective. Fernando pointed out that this program would put more pressure on private and public sector staff to account for their hours.

**5. COMMENTS AND/OR SUGGESTIONS**

Scott Spages asked if Committee Members wanted to continue discussing space needs for Town staff, or leave the discussion for a later date. He also referred to a previous discussion at an earlier Budget Workshop regarding the Community Endowment Fund. He asked where those funds came from. Mr. Underwood explained that back in 1992, a decision to cut pensions had resulted in an excess of \$2.5 million left over from the pension fund. Mr. Underwood pointed out that there was now approximately \$5 million in the fund. Scott Spages believed the Committee needed to have some discussion on this issue and make some recommendations to the Town Council. Scott voiced his belief that charitable donations were an individual choice, not the responsibility of municipal government. He pointed out that this was the only municipality he heard of that funded charitable organizations. Scott Spages pointed out that he had asked the Town Council at the previous Budget Workshop to have some funds set aside for a reserve. He believed that some organizations such as the Police Athletic League (PAL) had become dependent on the Town for funding and had to be weaned. All Committee members offered suggestions on how a reserve fund could be put to good use. The Committee members agreed that further discussion on the Community Endowment Fund would be necessary at another meeting. He suggested having a Town Council member present at that time. Bob Preziosi asked what happened to the Space Needs Study. Bill Underwood stated that he could provide a draft of the study for review.

**6. ADJOURNMENT**

There being no further business, a motion was made by Scott Spages, seconded by Bob Preziosi to adjourn the meeting. In a voice vote, all voted in favor. (Motion passed 3-0). The meeting was adjourned at 7:05 p.m.

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Date approved

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Chair/Committee Member